

MORA INDEPENDENT SCHOOL DISTRICT

Office of the Superintendent

P.O. BOX 179, HWY. 518 - RANGER DRIVE
MORA, NEW MEXICO 87732
(575)387-3101 FAX (575)387-3111
<http://mora.k12.nm.us>

ADMINISTRATION

DORA M. ROMERO
Superintendent

BOARD OF EDUCATION

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Member



September 27, 2013

To Whom It May Concern,

Mora Independent Schools, Mora, NM (Mora) respectfully requests the Federal Communication Commission (Commission) review of two Demand Payment Letters, Final Request and overturn the original Commitment Adjustments in light of new facts and circumstances that came to light since the last opportunity to address such issues.

In correspondence dated September 3 and 4, 2013 the Universal Service Administrative Company (Administrator) sent Mora Final Demand Payment Letters (Demand Letters) for Funding Commitment Adjustments imposed on Mora in the wake of a technology plan review conducted in 2009. During the review Mora was unable to produce an official Technology Plan Approval Letter from a certified technology plan approver. It is important to note that Mora DID have a technology plan in place, but it is possible that Mora made a ministerial error by not obtaining approval of said plan before the filing of the Form 486. Mora is still in process of determining if the plan was indeed approved by the State Department of Education.

According to the Demand Letters, Mora had been sent first and second demand payment letters with the latter sent on July 8, 2010. The letters stated Mora must return funds from Fund Year 2006 and 2007 -- applications totaling more than \$560,000. The letters also indicated all the Funding Requests subject to the recovery action were under appeal with the Commission and were denied in FCC order DA 13-1849, released August 30, 2013. The Demand Payment Letters are attached here as **Attachment 1**.

Mora takes this opportunity to request the Commission reconsider its decision to deny the appeals filed by Mora and overturn the denials for Funding Request Numbers: 1626634, 1626567, 1626534, and 1477404. These Funding Request Numbers are associated with Form 471 application Numbers: 533342 and 586001. In accordance with Commission rules, this Petition for Reconsideration is timely filed within 30 days of the decision and letters. The Demand Letters indicated the last correspondence from the Administrator requesting payment was in July 2010 and, as a result of FCC order DA 13-1849, released August 30, 2013 the Administrator would withhold action on any application or request for benefits under the Commission's "Red Light Rule." Mora understands that if a Commitment Adjustment is under appeal, the Administrator will not enforce the Red Light Rule while the appeal is pending. However, all of Mora's E-Rate applications were denied funding for Fund year 2011 and 2012 because "...your application was denied based on your noncompliance with the FCC's Red Light Rule which implements requirements of the FCC's Debt Collection Improvement Act of 1996 (FCC No. 04-72)." If the Commitment Adjustments were under appeal and not decided until August 2013, as the Demand Letters indicate, then the 2011 or 2012 applications should not have been denied. Mora lost \$245,000 in eligible E-Rate funding because of these denials. In addition, Mora never claimed funding for 2009 or 2010 of almost \$280,000. Mora is at a loss to

understand how the Administrator could deny funding at the same time acknowledging the Commitment Adjustments were under appeal and presumably not subject to the Red Light Rule.

During the period between 2009 and present, Mora had seven different superintendents and the district underwent massive reorganization twice during the period. Mora's Chief Operating Officer and e-rate contact during the period of the review was relieved of his duties in 2012. Based on the fact that Mora has received no benefit from the E-Rate program since 2009 and has effectively lost well over \$500,000 in potential funding, and was denied appeals in the FCC order DA 13-1849, Mora believes a major contribution to the failures rests with the former Chief Operating Officer.

In light of this massive loss of funding and the new information that the 2010 and 2011 applications appear to have been improperly denied because of the Red Light Rule, Mora asks that the Commission offset the Commitment Adjustment demand of refund with the lost E-Rate funding of 2009 through 2011.

In some cases the Commission has found that rigid compliance with technology plan procedures does not service the public interest.¹ Mora requests that the Commission find that there is sufficient reason to waive the certification requirements for the 2006 and 2007 applications, given that there was a technology plan in place at the time. That plan was submitted to the reviewer and included all of the elements required by program rules. In the Sixth Report and Order² the Commission eliminated the technology plan requirement for Priority 1 services and we ask that the FCC retroactively apply this ruling to Mora's requests. Mora is an impoverished school district in rural New Mexico as embodied by a 90 percent E-Rate discount.

¹ FCC 07-37 Brownsville Independent School District Brownsville, TX, et al.

² FCC 10-175 Sixth Report and Order.

Funding is limited and the prospect of paying over \$500,000 in discounted service from 2006 and 2007 would result in devastating staff and service reductions. These reductions would be in addition to the cuts that have already been made this year due to a close to \$700,000 shortfall. As reported in the local news, the District has already cut the football program and cut staff positions to balance the 2013-2014 operating budget which totals around \$5 million. To be quite frank, the District could not operate if it had to write a check for a half-million dollars today. Mora also feels the draconian and severe penalty is far too punitive considering the rule "violation" was ministerial and clerical-- the inability to locate an approval letter from the state. Without question, Mora had a technology plan but the former director was unable to locate an approval letter. Mora believes the letter exists but simply has been unable to locate the letter. Mora does feel that either elimination of the Commitment Adjustment or offset of lost E-Rate funding would be more appropriate in this situation. Again, we ask the Commission to reconsider its August 30 decision and overturn the Demand Letters for Mora.

Sincerely,

A handwritten signature in black ink, appearing to read "Dora M. Romero", with a long horizontal flourish extending to the right.

Dora M. Romero
Superintendent



RECEIVED
SEP 05 2013

BY: *Kan*

Schools and Libraries Division

Demand Payment Letter

FINAL REQUEST

(Funding Year 2006: July 1, 2006 - June 30, 2007)

September 3, 2013

LeRoy R. Blea
MORA INDEP SCHOOL DISTRICT
HIGHWAY 518
MORA, NM 87732

- PAST DUE NOTICE -

**THIS NOTICE PROVIDES IMPORTANT INFORMATION ABOUT YOUR
ACCOUNT AND YOUR RIGHTS AND OBLIGATIONS UNDER LAW**

Re: Form 471 Application Number:	533342
Funding Year:	2006
Applicant's Form Identifier:	Year 9
Billed Entity Number:	143294
FCC Registration Number:	0013152772
SPIN:	143002555
Service Provider Name:	La Jicarita Rural Telephone Cooperative, Inc.
Service Provider Contact Person:	Annabelle Pacheco
Payment Due By:	9/3/13

You were previously sent a Demand Payment Letter informing you of the need to recover funds for the Funding Request Number(s) (FRNs) listed on the Funding Disbursement Recovery Report (Report) attached to this letter. You were also sent a Second Demand for Payment Letter on 7/8/2010. Our records indicate that you have not responded to either letter. As of 7/8/2010, the debt is past due. Because you did not pay the full amount, it is past due (delinquent), and it is legally enforceable. The purpose of this letter is to give you a final opportunity to repay the debt and to inform you of the repercussions associated with not repaying the debt.

**THE FOLLOWING PROVISIONS CONTAIN IMPORTANT INFORMATION AND A DESCRIPTION OF LEGAL RIGHTS,
OBLIGATIONS, AND OPPORTUNITIES**

1. Pursuant to the provisions of the Debt Collection Act of 1982 (Public Law 97-365) and the Debt Collection Improvement Act of 1996 (Public Law 104-134), as amended (the DCIA), as set forth below, continued failure to make the demanded payment has resulted in the assessment of administrative charges, penalties, and interest, and it may result in sanctions, including, but not limited to, administrative proceedings or judicial action to recover the outstanding debt.
2. Unless we receive full payment, evidence that the debt is not owed, or a request for installment payment plan for repaying the outstanding debt within 30 days of the date of this Letter (Demand Date), pursuant to the DCIA, you may incur additional charges and costs, and the debt may be transferred to the Secretary of Treasury (Treasury) for debt collection. The FCC has determined that the funds are owed to the United States pursuant to the provisions of 31 U.S.C. § 3701 and 47 U.S.C. § 254. Because the unpaid amount is

Schools and Libraries Division - Correspondence Unit
30 Lanidex Plaza West, PO Box 685, Parsippany, NJ 07054-0685
Visit us online at: www.usac.org/sl

a debt owed to the United States, we are required by the DCIA to impose interest and to inform you what may happen if you do not pay the full outstanding debt. Under the DCIA, the United States will charge interest from the date of this notice and you will be required to pay the administrative costs of processing and handling a delinquent debt as set by the Treasury. The Treasury will impose additional charges (currently 28% of the debt). Additional information regarding the DCIA is available at 31 U.S.C. §§ 3701, 3711, 3716, 3717 and 3720B, the Federal Claims Collection Standards (e.g. 31 C.F.R. § 900.1, et seq.) and 47 C.F.R. § 1.1901, et seq.

3. Please be advised that when the debt is transferred, you may be subject to an administrative proceeding if one has not already been initiated (see 47 C.F.R. § 1.1910). For example, information about your delinquent account has been or will be reported to credit bureaus (see 31 U.S.C. § 3711(e)) and administrative offset has been or may be applied (see 31 U.S.C. § 3716). Moreover, under 31 U.S.C. § 3720B, a person owing an outstanding non-tax debt that is in delinquent status shall not be eligible for Federal financial assistance. Furthermore, the Debt may be referred to the United States Department of Justice (DOJ) for enforced collection, which may result in additional administrative costs. Separately, we may also request action by the Commission's Enforcement Bureau.

4. Pursuant to the Commission's DCIA Order (FCC 04-72, released Apr. 13, 2004), the FCC will withhold action on any application or request for benefits made by an entity that is delinquent in its non-tax debts owed to the Commission and shall dismiss such applications or requests if the delinquent debt is not resolved. The Commission has generally referred to this as the "Red Light Rule". This rule applies to the Schools and Libraries Universal Service Support Mechanism. The Fifth Report and Order (FCC 04-190, released Aug. 13, 2004) directed USAC to dismiss any outstanding requests for funding commitments if an entity has not paid the outstanding debt, or made otherwise satisfactory arrangements within 30 days. (See Fifth Report and Order at ¶ 42). Therefore, pursuant to the DCIA Order and the Fifth Report and Order, failure to make full payment or arrangements for payment within 30-days of the date of this letter may cause USAC to place you under the provisions of the Red Light Rule. For more information on the Red Light Rule, please see "Red Light Frequently Asked Questions (FAQs)" posted on the FCC website at http://www.fcc.gov/debt_collection/faq.html. In determining whether an entity is delinquent for purposes of the Red Light Rule, the Commission matches the FCC Registration Number of the applying entity to its database of debts; the applicant's FCC Registration Number will be linked to all other FCC Registration Number's associated with the same Taxpayer Identification Number (TIN). To obtain an FRN, go to the registration site <https://svartifoss2.fcc.gov/cores/CoresHome.html>

Opportunity of Inspection and Review

5. You have an opportunity to inspect and copy the invoices and the records pertinent to the debt. The Notification of Improperly Disbursed Funds Recovery Letter gave you the opportunity to appeal the validity of the debt. However, if you have evidence that all or part of the Debt has been paid and is no longer delinquent, you must present it to us within fifteen (15) days of the date of this Demand. If your debt is under appeal, either at USAC or the FCC, you will not be transferred under the DCIA to the Treasury for further collections activities.

Opportunity to Request Repayment Agreement

6. You have an opportunity to request a written repayment agreement (which includes a Promissory Note) to pay the full amount of the debt. If, due to financial hardship, you are unable to pay the full amount of the past due invoice in a lump sum, you may contact our Customer Service Office to request an installment payment plan, which will require the

payment of interest and execution of a promissory note. If you fail to pay the installment payment plan amount in full, plus accrued interest, penalties, and administrative charges, several administrative or judicial actions may result. First, your delinquent account information will be reported to credit bureaus, your account will be subject to administrative action by the FCC and the Treasury, including administrative offset, denial of certain federal benefits, withholding of action on any pending application (see 47 C.F.R. § 1.1910 (Red Light)), and referral to private collection attorneys. Next, we may refer the circumstances of your delinquency to the FCC's Enforcement Bureau for further action. Finally, your delinquent debt may be transferred to either the Treasury for further administrative collection or the DOJ for enforced collection.

To provide evidence that all or part of the Debt has been paid or request an installment payment plan, you may notify us in writing by mail or facsimile transmission at the following address and telephone number:

Schools and Libraries Division-
Correspondence Unit
30 Lanidex Plaza West, P.O. Box 685
Parsippany, NJ 07054-0685
Phone Number: 973-581-5395
Fax Number: 973-599-6582

Please remit payment for the full "Funds to be Recovered from Applicant" amount shown in the Report. To ensure that your payment is properly credited, please include a copy of the Report with your check. **Make your check payable to the Universal Service Administrative Company (USAC).**

If sending payment by U. S. Postal Service or major courier service (e.g. Airborne, FedEx, and UPS) please send check payments to:

Universal Service Administrative Company
Lock Box 105056
1075 Loop Road
Atlanta, GA 30337
Phone: 404-209-6377

Local messenger service should deliver to the Lockbox Receiving Window at the above address.

PAYMENT MUST BE RETURNED IMMEDIATELY.

Complete Program information is posted to the SLD section of the USAC web site at www.usac.org/sl/. You may also contact the SLD Technical Client Service Bureau by email using the "Submit a Question" link on the SLD website, by fax at 1-888-276-8736 or by phone at 1-888-203-8100. Contacting SLD for questions does not change the deadline for your response to this Letter.

Universal Service Administrative Company
Schools and Libraries Division

cc: Annabelle Pacheco
La Jicarita Rural Telephone Cooperative, Inc.

Funding Disbursement Recovery Report
for Form 471 Application Number: 533342

Funding Request Number:	1477404
Services Ordered:	TELCOMM SERVICES
SPIN:	143002555
Service Provider Name:	La Jicarita Rural Telephone Cooperative, Inc.
Contract Number:	T
Billing Account Number:	
Site Identifier:	143294
Funding Commitment:	\$20,689.34
Funds Disbursed to Date:	\$20,689.34
Funds to be Recovered from Applicant:	¹ \$20,689.34

Disbursed Funds Recovery Explanation:

The FCC received an appeal on your behalf to review USACs decision of the aforementioned FRN. FCC Order DA 13-1849 released August 30, 2013 denied the petitioners request to review USACs decision. USAC will continue to seek recovery for the following reason:

After a thorough investigation, it has been determined that funds were improperly disbursed on this funding request. During the course of review it was determined that the technology plan for this entity, covering the relevant funding year, was not approved at the time of submission of the Form 486. Program rules require applicants to obtain approval of technology plans by parties qualified to approve technology plans, prior to submitting the Form 486, for services other than basic telecommunications service. Since this is not a request for basic telecommunications service, the technology plan for the relevant funding year needed to be approved prior to submitting the Form 486 or the start of services, whichever was earlier. Since this requirement was not met USAC will seek recovery of any improperly disbursed funds from the applicant.

PLEASE SEND A COPY OF THIS PAGE WITH YOUR
CHECK TO ENSURE TIMELY PROCESSING

¹Please note that if the Funds to be Recovered from the Applicant is less than what was reported on the Notification of Improperly Disbursed Funds Recovery Letter or the 2nd Demand Payment Letter, it is because you have partially repaid the debt or because the service provider has partially repaid the debt.



Schools and Libraries Division

Demand Payment Letter

FINAL REQUEST

(Funding Year 2007: July 1, 2007 - June 30, 2008)

September 4, 2013

Roger A. Gonzales
MORA INDEP SCHOOL DISTRICT
HIGHWAY 518
MORA, NM 87732

- PAST DUE NOTICE -

THIS NOTICE PROVIDES IMPORTANT INFORMATION ABOUT YOUR
ACCOUNT AND YOUR RIGHTS AND OBLIGATIONS UNDER LAW

Re: Form 471 Application Number:	586001
Funding Year:	2007
Applicant's Form Identifier:	Year 10
Billed Entity Number:	143294
FCC Registration Number:	0013152772
SPIN:	143002555
Service Provider Name:	La Jicarita Rural Telephone Cooperative, Inc.
Service Provider Contact Person:	Annabelle Pacheco
Payment Due By:	9/4/13

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2. Unless we receive full payment, evidence that the debt is not owed, or a request for installment payment plan for repaying the outstanding debt within 30 days of the date of this Letter (Demand Date), pursuant to the DCIA, you may incur additional charges and costs, and the debt may be transferred to the Secretary of Treasury (Treasury) for debt collection. The FCC has determined that the funds are owed to the United States pursuant to the provisions of 31 U.S.C. § 3701 and 47 U.S.C. § 254. Because the unpaid amount is

a debt owed to the United States, we are required by the DCIA to impose interest and to inform you what may happen if you do not pay the full outstanding debt. Under the DCIA, the United States will charge interest from the date of this notice and you will be required to pay the administrative costs of processing and handling a delinquent debt as set by the Treasury. The Treasury will impose additional charges (currently 28% of the debt). Additional information regarding the DCIA is available at 31 U.S.C. §§ 3701, 3711, 3716, 3717 and 3720B, the Federal Claims Collection Standards (e.g. 31 C.F.R. § 900.1, et seq.) and 47 C.F.R. § 1.1901, et seq.

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Schools and Libraries Division-
Correspondence Unit
30 Lanidex Plaza West, P.O. Box 685
Parsippany, NJ 07054-0685
Phone Number: 973-581-5395
Fax Number: 973-599-6582

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Universal Service Administrative Company
Lock Box 105056
1075 Loop Road
Atlanta, GA 30337
Phone: 404-209-6377

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PAYMENT MUST BE RETURNED IMMEDIATELY.

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Universal Service Administrative Company
Schools and Libraries Division

cc: Annabelle Pacheco
La Jicarita Rural Telephone Cooperative, Inc.

Funding Disbursement Recovery Report
for Form 471 Application Number: 586001

Funding Request Number:	1626534
Services Ordered:	TELCOMM SERVICES
SPIN:	143002555
Service Provider Name:	La Jicarita Rural Telephone Cooperative, Inc.
Contract Number:	N/A
Billing Account Number:	(505) 387-3102
Site Identifier:	143294
Funding Commitment:	\$29,277.83
Funds Disbursed to Date:	\$29,277.83
Funds to be Recovered from Applicant:	¹ \$29,277.83

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Funding Request Number: 1626567
Services Ordered: INTERNET ACCESS
SPIN: 143002555
Service Provider Name: La Jicarita Rural Telephone Cooperative, Inc.
Contract Number: N/A
Billing Account Number: (505) 387-3102
Site Identifier: 143294
Funding Commitment: \$14,427.72
Funds Disbursed to Date: \$14,427.72
Funds to be Recovered from Applicant: ¹ \$14,427.72
Disbursed Funds Recovery Explanation:

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Demand Payment Letter

FINAL REQUEST

(Funding Year 2007: July 1, 2007 - June 30, 2008)

September 4, 2013

Roger A. Gonzales
MORA INDEP SCHOOL DISTRICT
HIGHWAY 518
MORA, NM 87732

- PAST DUE NOTICE -

THIS NOTICE PROVIDES IMPORTANT INFORMATION ABOUT YOUR
ACCOUNT AND YOUR RIGHTS AND OBLIGATIONS UNDER LAW

Re: Form 471 Application Number: 586001
Funding Year: 2007
Applicant's Form Identifier: Year 10
Billed Entity Number: 143294
FCC Registration Number: 0013152772
SPIN: 143024659
Service Provider Name: INX LLC, wholly owned subsid of Presidio Networked Sc
Service Provider Contact Person: Cynthia McCarty
Payment Due By: 9/4/13

You were previously sent a Demand Payment Letter informing you of the need to recover funds for the Funding Request Number(s) (FRNs) listed on the Funding Disbursement Recovery Report (Report) attached to this letter. You were also sent a Second Demand for Payment Letter on 7/8/2010. Our records indicate that you have not responded to either letter. As of 7/8/2010, the debt is past due. Because you did not pay the full amount, it is past due (delinquent), and it is legally enforceable. The purpose of this letter is to give you a final opportunity to repay the debt and to inform you of the repercussions associated with not repaying the debt.

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a debt owed to the United States, we are required by the DCIA to impose interest and to inform you what may happen if you do not pay the full outstanding debt. Under the DCIA, the United States will charge interest from the date of this notice and you will be required to pay the administrative costs of processing and handling a delinquent debt as set by the Treasury. The Treasury will impose additional charges (currently 28% of the debt). Additional information regarding the DCIA is available at 31 U.S.C. §§ 3701, 3711, 3716, 3717 and 3720B, the Federal Claims Collection Standards (e.g. 31 C.F.R. § 900.1, et seq.) and 47 C.F.R. § 1.1901, et seq.

3. Please be advised that when the debt is transferred, you may be subject to an administrative proceeding if one has not already been initiated (see 47 C.F.R. § 1.1910). For example, information about your delinquent account has been or will be reported to credit bureaus (see 31 U.S.C. § 3711(e)) and administrative offset has been or may be applied (see 31 U.S.C. § 3716). Moreover, under 31 U.S.C. § 3720B, a person owing an outstanding non-tax debt that is in delinquent status shall not be eligible for Federal financial assistance. Furthermore, the Debt may be referred to the United States Department of Justice (DOJ) for enforced collection, which may result in additional administrative costs. Separately, we may also request action by the Commission's Enforcement Bureau.

4. Pursuant to the Commission's DCIA Order (FCC 04-72, released Apr. 13, 2004), the FCC will withhold action on any application or request for benefits made by an entity that is delinquent in its non-tax debts owed to the Commission and shall dismiss such applications or requests if the delinquent debt is not resolved. The Commission has generally referred to this as the "Red Light Rule". This rule applies to the Schools and Libraries Universal Service Support Mechanism. The Fifth Report and Order (FCC 04-190, released Aug. 13, 2004) directed USAC to dismiss any outstanding requests for funding commitments if an entity has not paid the outstanding debt, or made otherwise satisfactory arrangements within 30 days. (See Fifth Report and Order at ¶ 42). Therefore, pursuant to the DCIA Order and the Fifth Report and Order, failure to make full payment or arrangements for payment within 30-days of the date of this letter may cause USAC to place you under the provisions of the Red Light Rule. For more information on the Red Light Rule, please see "Red Light Frequently Asked Questions (FAQs)" posted on the FCC website at http://www.fcc.gov/debt_collection/faq.html. In determining whether an entity is delinquent for purposes of the Red Light Rule, the Commission matches the FCC Registration Number of the applying entity to its database of debts; the applicant's FCC Registration Number will be linked to all other FCC Registration Number's associated with the same Taxpayer Identification Number (TIN). To obtain an FRN, go to the registration site <https://svartifoss2.fcc.gov/cores/CoresHome.html>

Opportunity of Inspection and Review

5. You have an opportunity to inspect and copy the invoices and the records pertinent to the debt. The Notification of Improperly Disbursed Funds Recovery Letter gave you the opportunity to appeal the validity of the debt. However, if you have evidence that all or part of the Debt has been paid and is no longer delinquent, you must present it to us within fifteen (15) days of the date of this Demand. If your debt is under appeal, either at USAC or the FCC, you will not be transferred under the DCIA to the Treasury for further collections activities.

Opportunity to Request Repayment Agreement

6. You have an opportunity to request a written repayment agreement (which includes a Promissory Note) to pay the full amount of the debt. If, due to financial hardship, you are unable to pay the full amount of the past due invoice in a lump sum, you may contact our Customer Service Office to request an installment payment plan, which will require the

payment of interest and execution of a promissory note. If you fail to pay the installment payment plan amount in full, plus accrued interest, penalties, and administrative charges, several administrative or judicial actions may result. First, your delinquent account information will be reported to credit bureaus, your account will be subject to administrative action by the FCC and the Treasury, including administrative offset, denial of certain federal benefits, withholding of action on any pending application (see 47 C.F.R. § 1.1910 (Red Light)), and referral to private collection attorneys. Next, we may refer the circumstances of your delinquency to the FCC's Enforcement Bureau for further action. Finally, your delinquent debt may be transferred to either the Treasury for further administrative collection or the DOJ for enforced collection.

To provide evidence that all or part of the Debt has been paid or request an installment payment plan, you may notify us in writing by mail or facsimile transmission at the following address and telephone number:

Schools and Libraries Division-
Correspondence Unit
30 Lanidex Plaza West, P.O. Box 685
Parsippany, NJ 07054-0685
Phone Number: 973-581-5395
Fax Number: 973-599-6582

Please remit payment for the full "Funds to be Recovered from Applicant" amount shown in the Report. To ensure that your payment is properly credited, please include a copy of the Report with your check. **Make your check payable to the Universal Service Administrative Company (USAC).**

If sending payment by U. S. Postal Service or major courier service (e.g. Airborne, FedEx, and UPS) please send check payments to:

Universal Service Administrative Company
Lock Box 105056
1075 Loop Road
Atlanta, GA 30337
Phone: 404-209-6377

Local messenger service should deliver to the Lockbox Receiving Window at the above address.

PAYMENT MUST BE RETURNED IMMEDIATELY.

Complete Program information is posted to the SLD section of the USAC web site at www.usac.org/sl/. You may also contact the SLD Technical Client Service Bureau by email using the "Submit a Question" link on the SLD website, by fax at 1-888-276-8736 or by phone at 1-888-203-8100. Contacting SLD for questions does not change the deadline for your response to this Letter.

Universal Service Administrative Company
Schools and Libraries Division

cc: Cynthia McCarty

INX LLC, wholly owned subsid of Presidio Networked Soutions

Funding Disbursement Recovery Report
for Form 471 Application Number: 586001

Funding Request Number:	1626634
Services Ordered:	INTERNAL CONNECTIONS
SPIN:	143024659
Service Provider Name:	INX LLC, wholly owned subsid of Presidio Networked Sc
Contract Number:	N/A
Billing Account Number:	(505) 387-3102
Site Identifier:	143294
Funding Commitment:	\$522,092.63
Funds Disbursed to Date:	\$498,266.03
Funds to be Recovered from Applicant:	¹ \$498,266.03

Disbursed Funds Recovery Explanation:

The FCC received an appeal on your behalf to review USACs decision of the aforementioned FRN. FCC Order DA 13-1849 released August 30, 2013 denied the petitioners request to review USACs decision. USAC will continue to seek recovery for the following reason:

After a thorough investigation, it has been determined that funds were improperly disbursed on this funding request. During the course of review it was determined that the technology plan for this entity, covering the relevant funding year, was not approved at the time of submission of the Form 486. Program rules require applicants to obtain approval of technology plans by parties qualified to approve technology plans, prior to submitting the Form 486, for services other than basic telecommunications service. Since this is not a request for basic telecommunications service, the technology plan for the relevant funding year needed to be approved prior to submitting the Form 486 or the start of services, whichever was earlier. Since this requirement was not met USAC will seek recovery of any improperly disbursed funds from the applicant.

PLEASE SEND A COPY OF THIS PAGE WITH YOUR
CHECK TO ENSURE TIMELY PROCESSING

¹Please note that if the Funds to be Recovered from the Applicant is less than what was reported on the Notification of Improperly Disbursed Funds Recovery Letter or the 2nd Demand Payment Letter, it is because you have partially repaid the debt or because the service provider has partially repaid the debt.